

# **AOT in Action**

A Message from Director Sherry Henry:

Welcome to AOT in Action, your weekly e-newsletter from the Arizona Office of Tourism (AOT).

Good morning,

Happy New Year! I hope everyone has a joyous and safe holiday.

I also hope you're ready for all the excitement that 2010 will bring! I look forward to another great year of leading the Arizona tourism industry with your valued assistance as we market amazing Arizona experiences.

On behalf of the entire staff at the Arizona Office of Tourism, I wish all of you a wonderful and prosperous 2010!

Have a great week.			

#### **AOT News**

#### An Arizona's Blue spruce is the Official Capitol Christmas Tree!

The Capitol Christmas Tree was officially lit by Nancy Pelosi, Speaker of the House, and Kaitlyn Ferenick, an Arizona 7th grade student, on December 8. The annual ceremony was preceded by a special ceremonial performance by the White Mountain Apache Tribe Crown Dancers. The tree is decorated with thousands of ornaments, many of which were made by schoolchildren from Arizona and will remain lit on the West Lawn until 11 p.m. every evening through New Year's day. Follow this link to see pictures of the lit tree. <a href="http://capitolchristmastree2009.org/">http://capitolchristmastree2009.org/</a>

#### **Brochure Distribution Program**

The Arizona Office of Tourism collaborates with the Arizona Hotel & Lodging Association to distribute hotel and lodging brochures at Arizona Welcome Centers. The program is designed to enhance the visibility for lodging properties. Properties wishing to participate in this program

must contact the Arizona Hotel and Lodging Association at 602-604-0729. For further details, contact Brian Lang, AOT's Visitors Services Manager, at 602-364-3694 or via e-mail at blang@azot.gov.

**AOT Activities** 

#### **Toronto Golf Show Participation Opportunity**

The Arizona Office of Tourism will exhibit at the 21st annual Toronto Golf & Travel Show on March 5-7, 2010. The golf expo is held each year at the Metro Toronto Convention Centre and attracts more than 30,000 Canadian golf enthusiasts. Exhibitors include golf outfitters, equipment manufacturers and suppliers, golf schools, golf travel companies and destinations. We are pleased to invite you to participate with Arizona in one of two ways. Join us in our exhibit at the show or we are pleased to offer brochure distribution for your golf travel product. Space is limited. For more information please contact Jennifer Sutcliffe at 602-364-3693 or via e-mail at jsutcliffe@azot.gov.

#### Minnesota AAA Sales Mission

Kristy Swanson joined Kimberly Janes from the City of Chandler, on the Minnesota AAA Sales Mission on December 13-18. They travelled to the cities of St. Cloud, Roseville, Coon Rapids, Maple Grove, Rochester, Mankato, Burnesville, Edina, Eden Prairie, Minnetonka, St Paul, Maplewood and Minneapolis. Several sales calls took place at local travel agencies where discussion centered on what's new in Arizona, the Arizona Accreditation Program (AZAP), Chandler Area product offerings, as well as Mesa and Tempe. In total, approximately 80 travel counselors were reached. For more information please contact Kristy Swanson at 602-364-3696 or via e-mail at <a href="mailto:kswanson@azot.gov">kswanson@azot.gov</a>.

# **Upcoming Events & Activities**

#### American Bus Association (ABA) Marketplace

Date: January 15-19

Location: National Harbor, Maryland

Chicago Sales Mission

Date: January 18 - 22

Location: Chicago, Illinois

**Visit USA Consumer Shows - Germany** 

Date: January – March 2010

Location: Hamburg, Munich, Stuttgart

#### **Industry News**

#### Scottsdale Hotels Continue to Feel Recession's Impact

The latest research on Scottsdale's tourism sector shows more declines in key lodging numbers. Smith Travel Research stats show continued decreases in occupancy, average daily room rate and revenue per available room (RevPAR) for October, the most recent data available. Scottsdale's occupancy in October was 61.4 percent, a slight decrease of 2.7 percent from the same month last year. Also for October 2009, average daily room rate was \$136.79, a major decrease of 21 percent from a year ago. RevPAR decreased an even larger 23 percent to \$83.97. Year-to-date, Scottsdale's occupancy is down 10.7 percent from 2008, and room rates are down 20 percent. RevPAR is down a massive 28.3 percent. The prolonged recession has caused a marked drop in consumer spending, and top tourist destinations like Scottsdale have felt the brunt worse than many cities. (*Phoenix Business Journal, Dec. 21*)

#### International Visitors Spending Fell 13% in October

The Commerce Department says that international visitors spent an estimated \$10.3 billion on travel to, and tourism-related activities within, the U.S. during the month of October-nearly \$1.6 billion less than was spent in October 2008, a decline of 13%. Total international visitor spending is down \$18.6 billion, or 16%, year-to-date from January through October. October 2009 marks the 12th consecutive month in which U.S. travel and tourism-related exports were lower when compared to the same period of the previous year. (Special to TA; Travel Advance, Dec. 23)

#### Arizona Hurt by Backlash Against Lavish Business Trips

When it comes to luring convention- and conference-goers this winter, Arizona's resort towns may be too much fun for their own good. Tourism officials say business groups have been avoiding popular destinations from Hawaii to Florida out of fear that it will look as if they're having too good of a time amid a recession. As a result, they are making the economic downturn worse for the already battered travel industry in cities such as Phoenix, Scottsdale, Tucson, Reno, Las Vegas, Orlando and Palm Springs, Calif. More than 80 business meetings have been canceled in the past year in Phoenix alone, resulting in more than \$23 million in lost revenue, said Douglas MacKenzie, spokesman for the Greater Phoenix Convention and Visitors Bureau.

In Scottsdale, hotel bookings for business meetings are down 25 percent to 30 percent from last year, said Brent DeRaad, executive vice president of the Scottsdale Convention and Visitors Bureau. "There's no question that the economy has had an enormous impact, but it's more than that," DeRaad said. "What we're hearing from companies is that they'll choose a Midwestern city like Minneapolis or Detroit instead of Scottsdale, even if the rate is the same or more, just because they're worried about perceptions."

Alarmed by the loss of revenue to their cites, resort-area lawmakers, including Rep. Harry Mitchell, D-Ariz., and Senate Majority Leader Harry Reid, D-Nev., are pushing legislation that would prohibit federal agencies from adopting internal policies that discourage holding meetings and conferences in resort towns. They hope their bipartisan bill, the Protecting Resort Cities from Discrimination Act, will be approved in early 2010 and will encourage private companies to return to the sun and fun instead of choosing less glamorous locations for the sake of appearance. The bill is awaiting action in House and Senate committees. Arizona GOP

Sens. John McCain and Jon Kyl have not taken a position on the bill. The bill's supporters say they do not expect to face any significant opposition.

"All we're saying is don't discriminate just because a place happens to be a nice resort area," said Mitchell, one of the legislation's original sponsors. "Just get the best value for your dollar."

Right now, some companies are paying more to look like they're getting less, said Rep. Dean Heller, R-Nev., a co-sponsor of the bill. "We've had companies canceling conferences in Reno or Las Vegas and paying three times as much money to move their meetings to San Francisco, just to try to avoid the perception that they were going to a resort." Click here to read complete article. (Arizona Republic, Dec. 23)

# **Real Indications of Brighter Travel Future**

Optimistic news about the economy approach ridiculous levels as observers sometimes desperately look for positive signs but there are some very sound reasons for thinking the trend is up:

- "Business travelers appear to be moving back to the front of the plane, showing positive signs companies may likely be feeling more optimistic about the economy," says American Express Business Travel on its Business Travel Monitor North America,
- AAA says travelers journeying 50 miles or more away this holiday season total almost one third of the population, or a number that is up almost three percent over last year. "More Americans traveling during the winter holidays is another sign consumers are continuing to grow more confident in their personal financial situations," said Glen MacDonell, AAA's director of travel services.
- More than one third of consumers intend taking more leisure vacations next year while
  more than half plan the same amount of trips, according to Travel Ticker's 2010 Travel
  Intentions Survey. Only six percent of consumers plan on taking less leisure trips in the
  new year. "The feedback we received from our 2010 Travel Intentions Survey further
  supports Travel Ticker's belief that if consumers find a great deal, they will be inspired to
  travel," said Barbara Messing, Vice President of Travel Ticker.

The site says 18 to 30-year-olds are leading the charge on planning more leisure trips. This age group is followed by 38 percent of 65+ year-olds and more than 32 percent of 31-65 year-olds, who also plan on taking more leisure trips in the upcoming year. More free time and inspiring deals are cited as top reasons for more leisure trips in the new year.

Said Christa Degnan Manning, director of Global Services for Amex on the improved outlook for business travel: "This is an encouraging sign for the business travel industry because it indicates increasing demand as well as willingness to pay for premium products, which help with supplier profitability and their ability to provide consumer discounts."

Most observers think business travel will have to be more robust before the overall travel economy will improve. (*Travel Mole e-Newsletter, Dec. 24*)

# **Holiday Calendar of Events**

Want to see some Holiday lights? <u>Click here</u> to for a list of some great Holiday Lights Shows and Festivals!

#### **Calendar of Events**

Visit <u>www.ArizonaGuide.com</u> to find information on all the exciting <u>events, festivals and activities</u> held throughout the Grand Canyon State!

# **Connect with the Arizona Office of Tourism!**

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